

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

001

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		CONFIDENTIAL		5. Lease Serial No. UTU-68219
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		2. Name of Operator QEP - UINTA BASIN INC		6. If Indian, Allottee or Tribe Name UTE TRIBE
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078		3b. Phone No. (include area code) Ph: 435.781.4309 Fx: 435.781.4329		7. If Unit or CA Agreement, Name and No.
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESE 675FSL 660FEL 40.11764 N Lat, 109.59026 W Lon At proposed prod. zone 4441571 Y 40.11776 620184 X -109.58966		Contact: RALEEN SEARLE E-Mail: raleen.searle@questar.com		8. Lease Name and Well No. WVX 16W-18-8-21
14. Distance in miles and direction from nearest town or post office* 12 +/- MILES FROM OURAY, UT		15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660' +/-		9. API Well No. 43-047-35371
16. No. of Acres in Lease 880.00		17. Spacing Unit dedicated to this well 40.00		10. Field and Pool, or Exploratory UNDESIGNATED
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1000' +/-		19. Proposed Depth 7550 MD		11. Sec., T., R., M., or Blk. and Survey or Area Sec 18 T8S R21E Mer SLB
20. BLM/BIA Bond No. on file ESB000024		21. Elevations (Show whether DF, KB, RT, GL, etc.) 4679 KB		12. County or Parish UINTAH
22. Approximate date work will start		23. Estimated duration 10 DAYS		13. State UT

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature <i>Raleen Searle</i>	Name (Printed/Typed) RALEEN SEARLE	Date 11/26/2003
Title REGULATORY AFFAIRS ANALYST		
Approved by (Signature) <i>Bradley G. Hill</i>	Name (Printed/Typed) BRADLEY G. HILL	Date 12-04-03
Title ENVIRONMENTAL SCIENTIST		

FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

RECEIVED DEC 02 2003

DEPT OF OIL, GAS & MINING

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #25529 verified by the BLM Well Information System
For QEP - UINTA BASIN INC, sent to the Vernal

CONFIDENTIAL

** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL **

T8S, R21E, S.L.B.&M.

QUESTAR EXPLORATION & PRODUCTION

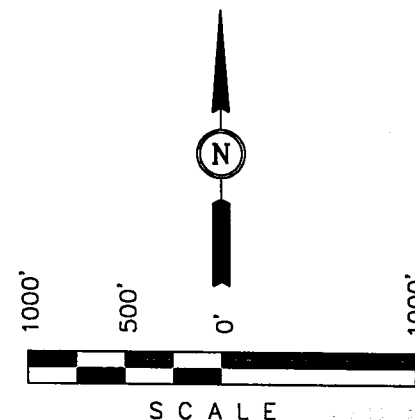
Well location, WVX #16W-18-8-21, located as shown in the SE 1/4 SE 1/4 of Section 18, T8S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

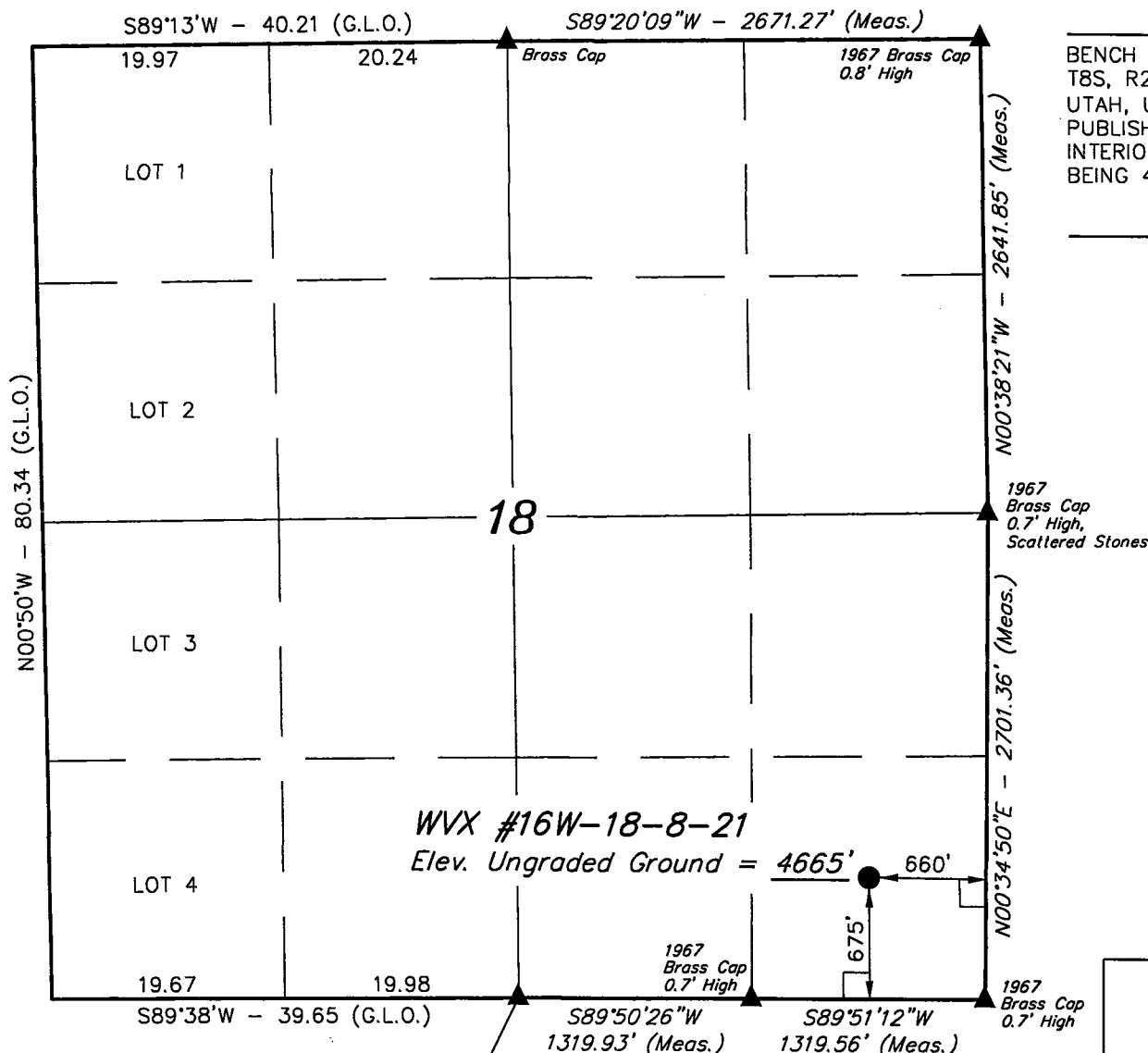
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert L. Hays
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH



LEGEND
CONFIDENTIAL
= 90° SYMBOL

● = PROPOSED WELL HEAD.
▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 40°07'03.50" (40.117639)
LONGITUDE = 109°35'24.92" (109.590256)

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 09-08-03	DATE DRAWN: 09-12-03
PARTY B.B. T.H. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE QUESTAR EXPLORATION & PRODUCTION	

QEP Uinta Basin, Inc.
WVX 16W-18-8-21

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<i>Formation</i>	<i>Depth</i>
Uinta	Surface
Green River	2524
Mahogany Ledge	3394
Wasatch	6044
TD (Wasatch)	7550

2. Anticipated Depths of Oil, Gas, Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

<i>Substance</i>	<i>Formation</i>	<i>Depth</i>
Oil/Gas	Wasatch	7550

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

3. Anticipated Bottom Hole Pressures

Maximum anticipated bottom hole pressure equals approximately 3020.0 psi.

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QEP UINTA BASIN, INC.
WVX 16W-18-8-21
675' FSL, 660' FEL
SESE, SECTION 18, T8S, R21E
UINTAH COUNTY, UTAH
LEASE # UTU-68219

ONSHORE ORDER NO. 1

MULTI – POINT SURFACE USE & OPERATIONS PLAN

1. **Existing Roads:**

The proposed well site is approximately 12 miles East of Ouray, Utah.

Refer to Topo Maps A and B for location of access roads within a 2 – mile radius.

There will be no improvements made to existing access roads.

2. **Planned Access Roads:**

Please see QEP Uinta Basin, Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

Refer to Topo Map B for the location of the proposed access road.

3. **Location of Existing Wells Within a 1 – Mile Radius:**

Please refer to Topo Map C.

4. **Location of Existing & Proposed Facilities:**

Please see QEP Uinta Basin, Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

Refer to Topo Map D for the location of the proposed pipeline.

5. **Location and Type of Water Supply:**

Please see QEP Uinta Basin, Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

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6. Source of Construction Materials:

Please see QEP Uinta Basin, Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

7. Methods of Handling Waste Materials:

Please see QEP Uinta Basin, Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

8. Ancillary Facilities:

Please see QEP Uinta Basin, Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

10. Plans for Reclamation of the Surface:

Please see QEP Uinta Basin, Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Township 07 and 08 South, Ranges 21 to 24 East.

11. Surface Ownership:

The well pad and access road are located on lands owned by:

Ute Tribe
PO Box 190
Ft. Duchesne, UT 84026
(435) 722-5141

12. Other Information

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

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Lessee's or Operator's Representative:

John Busch
Red Wash Operations Rep.
QEP Uinta Basin, Inc.
11002 East 17500 South
Vernal, Utah 84078
(435) 781-4341

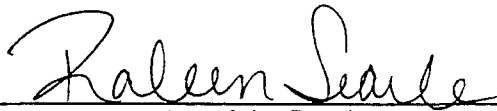
Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

QEP Uinta Basin, Inc. will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by QEP Uinta Basin, Inc. its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.



for John Busch
Red Wash Operations Representative

24-Nov-03
Date

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Additional Operator Remarks:

QEP Uinta Basin, Inc. proposes to drill a well to 7550' to test the Wasatch. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

Please see QEP Uinta Basin, Inc. Standard Operating Practices for Wasatch formation wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

See Onshore Order No. 1 Attached

Please be advised that QEP Uinta Basin, Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. ESB000024. The principal is QEP Uinta Basin, Inc. via surety as consent as provided for the 43 CFR 3104.2.

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QUESTAR EXPLR. & PROD.

WVX #16W-18-8-21

LOCATED IN UINTAH COUNTY, UTAH
SECTION 18, T8S, R21E, S.L.B.&M.

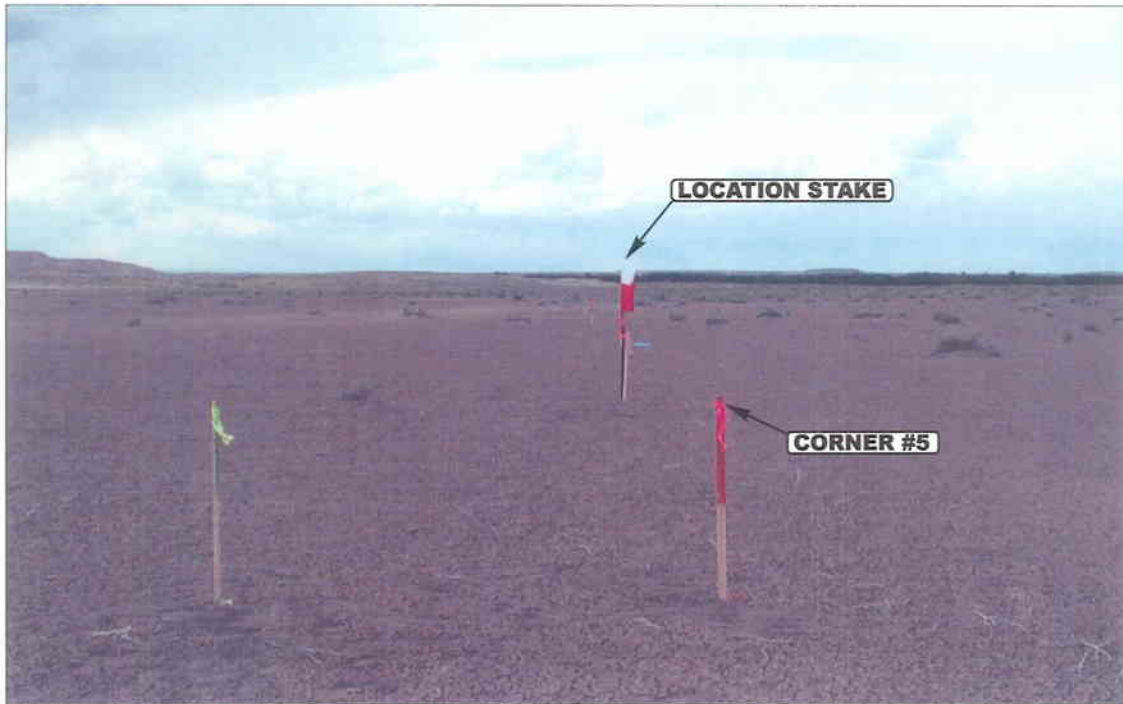


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: WESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

09 16 03
MONTH DAY YEAR

PHOTO

TAKEN BY: B.B.

DRAWN BY: P.M.

REVISED: 00-00-00

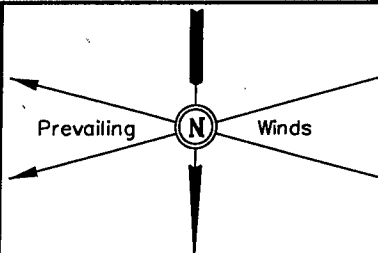
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QUESTAR EXPLORATION & PRODUCTION

FIGURE #1

LOCATION LAYOUT FOR

WVX #16W-18-8-21
SECTION 18, T8S, R21E, S.L.B.&M.
675' FSL 660' FEL



Proposed Access Road

SCALE: 1" = 50'
DATE: 09-12-03
Drawn By: D.COX

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.

Total Pit Capacity
W/2' of Freeboard
= 10,560 Bbls. ±
Total Pit Volume
= 2,930 Cu. Yds.

Approx.
Toe of
Fill Slope

C-0.8'
El. 65.1'

C-1.2'
El. 65.5'

C-1.0'
El. 65.3'

Sta. 3+50

Approx.
Top of
Cut Slope

FLARE PIT

C-0.9'
El. 65.2'

C-0.9'
El. 65.2'

Sta. 1+75

C-0.4'
El. 64.7'

El. 65.3'
C-13.0'
(btm. pit)

Reserve Pit Backfill
& Spills Stockpile

10' WIDE BENCH

RESERVE PITS
(12' Deep)

SLOPE 1-1/2 : 1

Sta. 0+51

El. 65.2'
C-12.9'
(btm. pit)

C-0.8'
El. 65.1'

C-1.0'
El. 65.3'

Sta. 0+00

C-0.9'
El. 65.2'

C-0.6'
El. 64.9'

NOTES:

Elev. Ungraded Ground At Loc. Stake = 4665.2'
FINISHED GRADE ELEV. AT LOC. STAKE = 4664.3'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

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FIGURE #2

TYPICAL CROSS SECTIONS FOR

WVX #16W-18-8-21

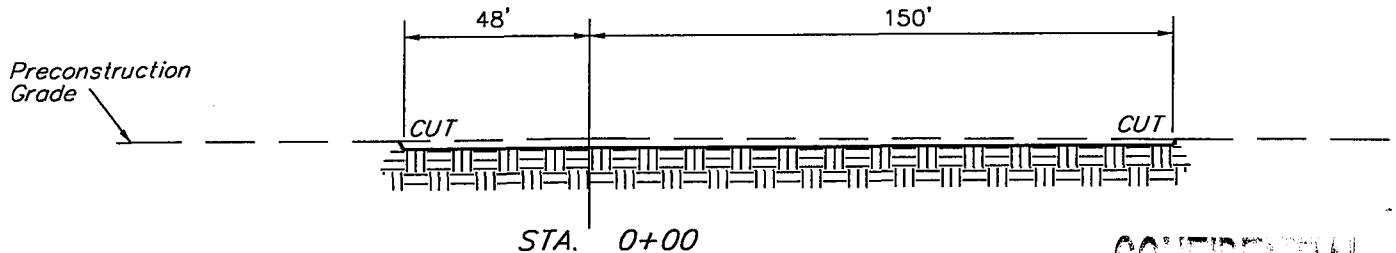
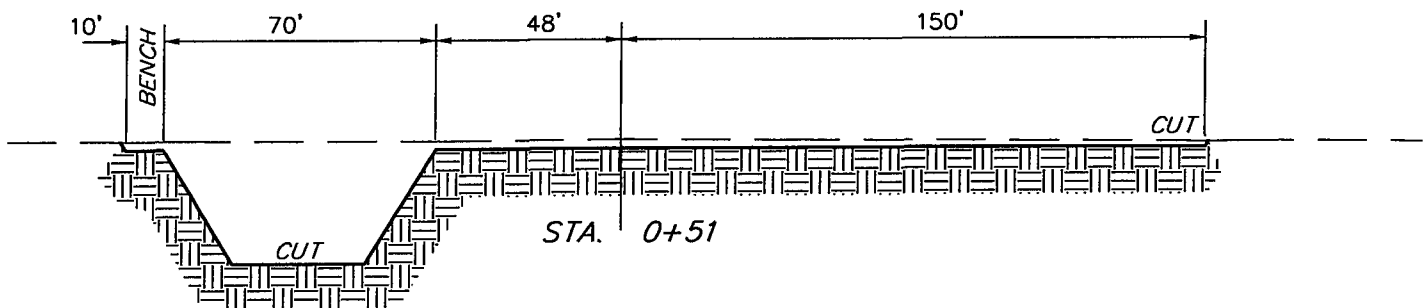
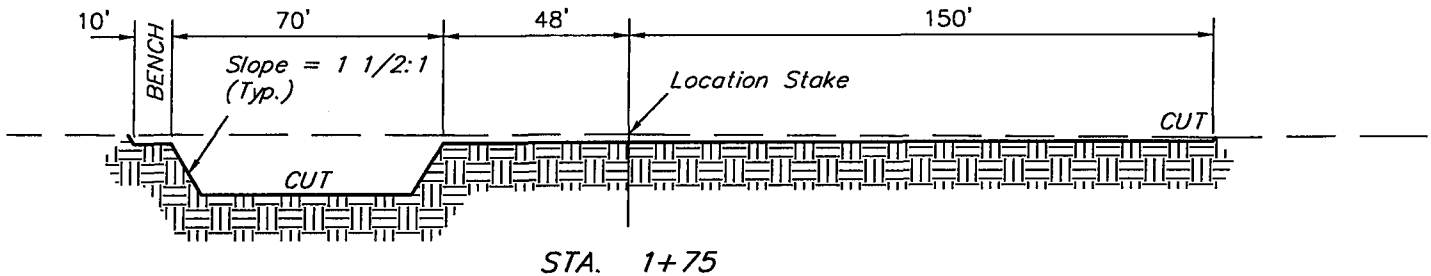
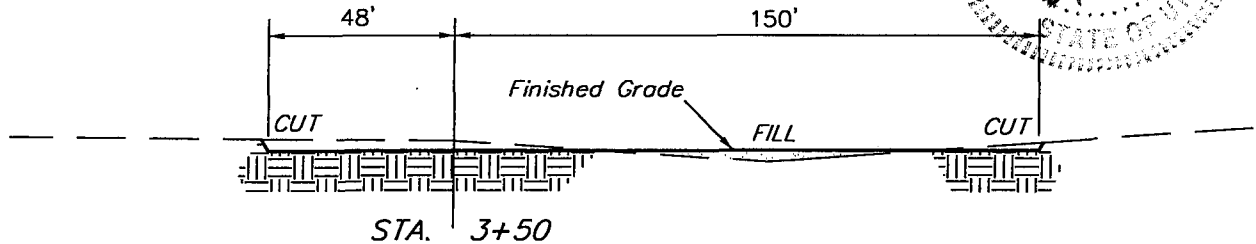
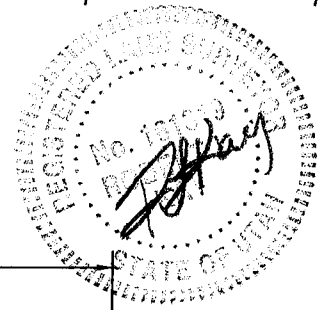
SECTION 18, T8S, R21E, S.L.B.&M.

675' FSL 660' FEL

1" = 20'
X-Section
Scale
1" = 50'

DATE: 09-12-03

Drawn By: D.COX



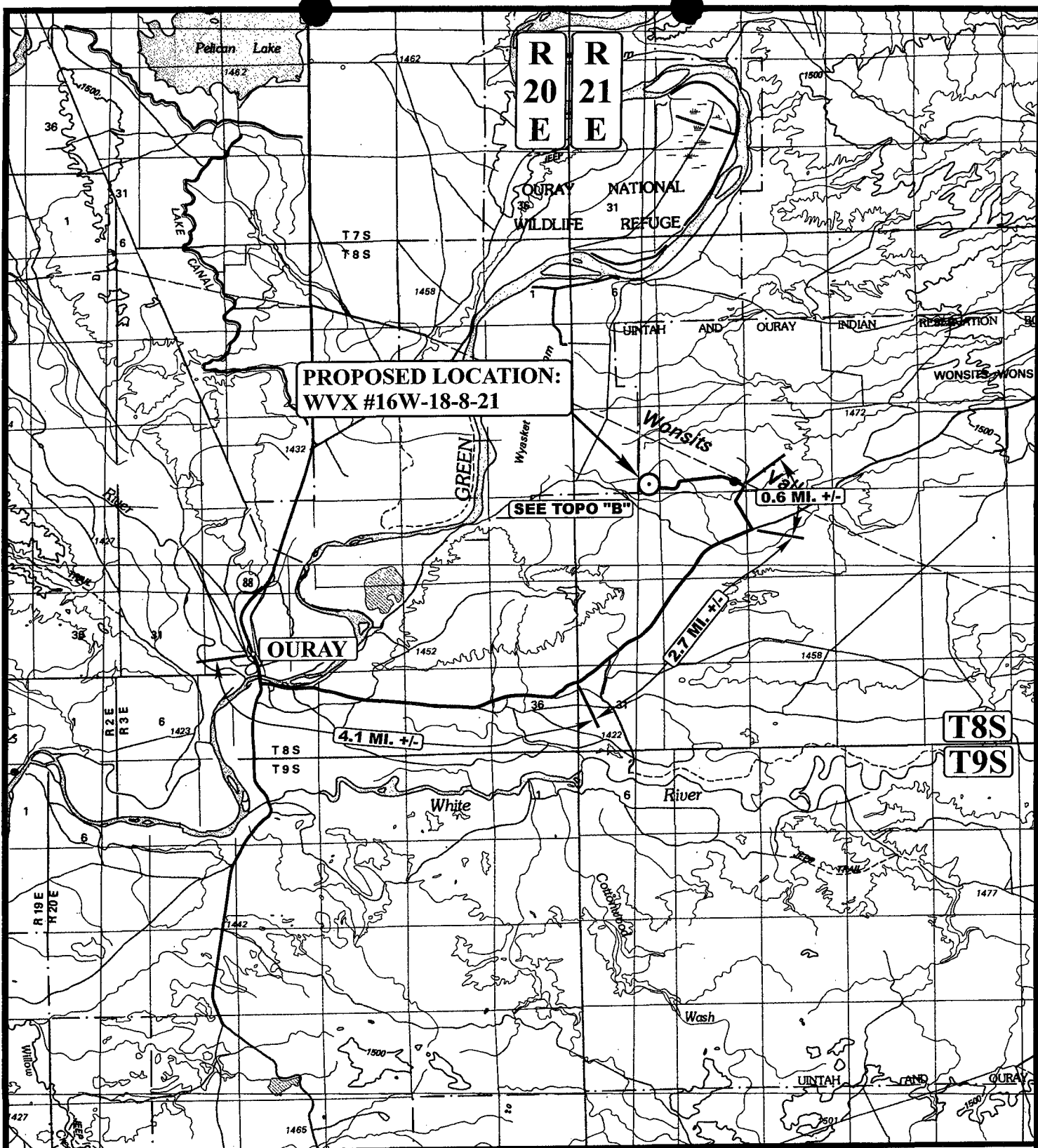
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APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 3,070 Cu. Yds.
Remaining Location	= 2,810 Cu. Yds.
TOTAL CUT	= 5,880 CU.YDS.
FILL	= 1,280 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 4,530 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 4,530 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

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85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



LEGEND:

○ PROPOSED LOCATION



QUESTAR EXPLR. & PROD.

WVX #16W-18-8-21
SECTION 18, T8S, R21E, S.L.B.&M.
675' FSL 660' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

09 16 03
MONTH DAY YEAR

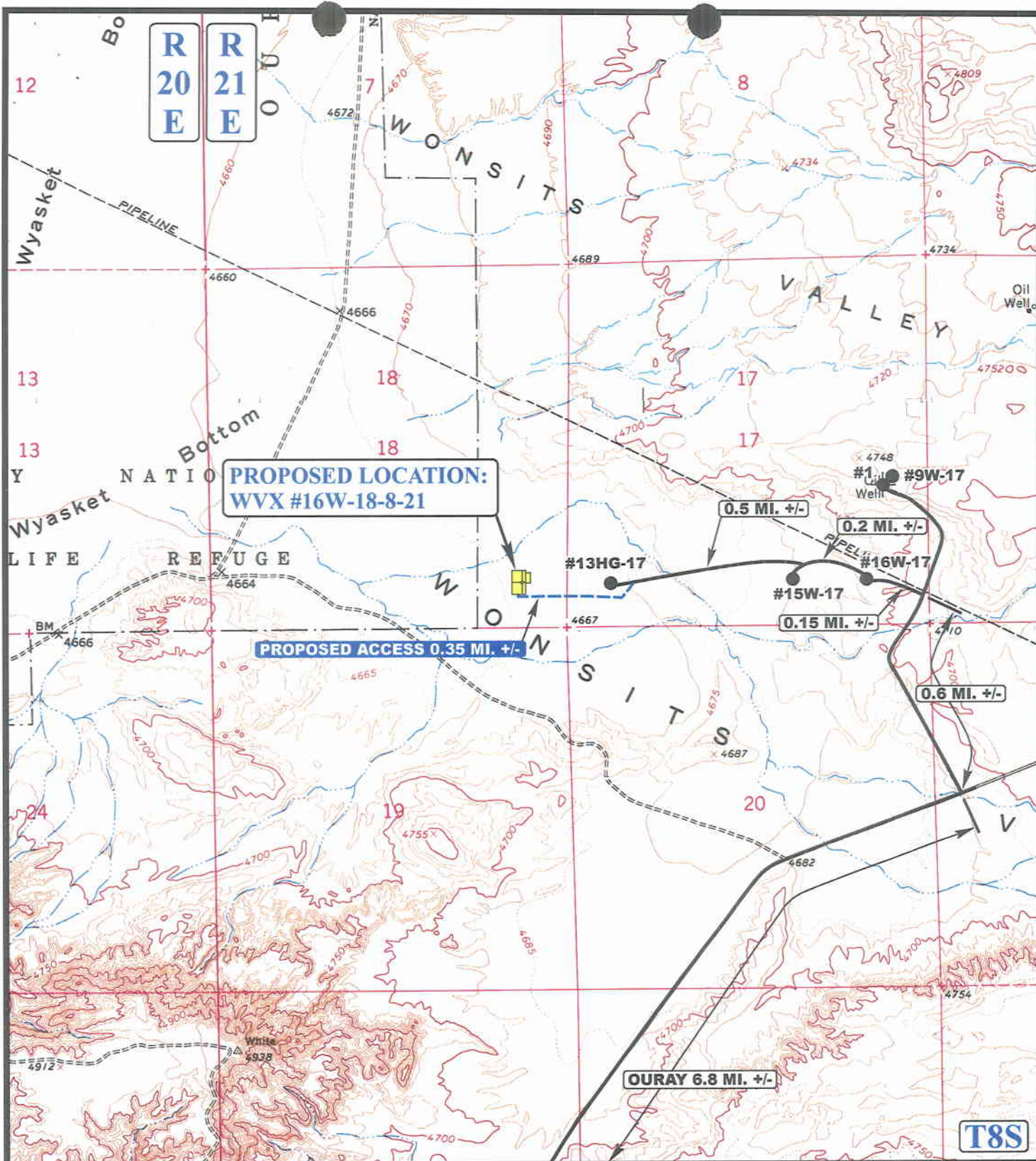
SCALE: 1:100,000

DRAWN BY: P.M.

REVISED: 00-00-00



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LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD

QUESTAR EXPLR. & PROD.

WVX #16W-18-8-21
SECTION 18, T8S, R21E, S.L.B.&M.
675' FSL 660' FEL



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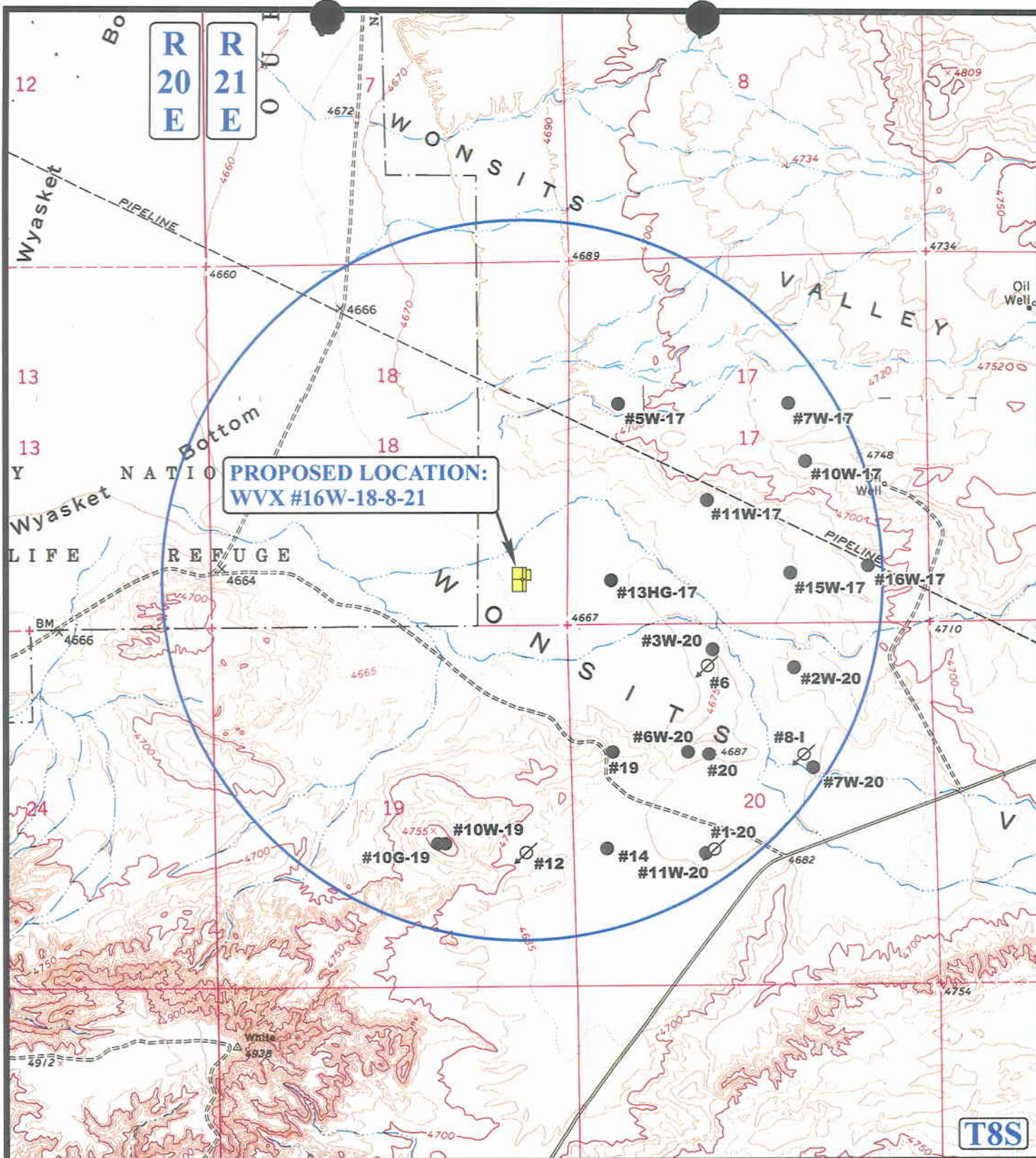
TOPOGRAPHIC
MAP

09 16 03
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00



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LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

QUESTAR EXPLR. & PROD.

WVX #16W-18-8-21
SECTION 18, T8S, R21E, S.L.B.&M.
675' FSL 660' FEL



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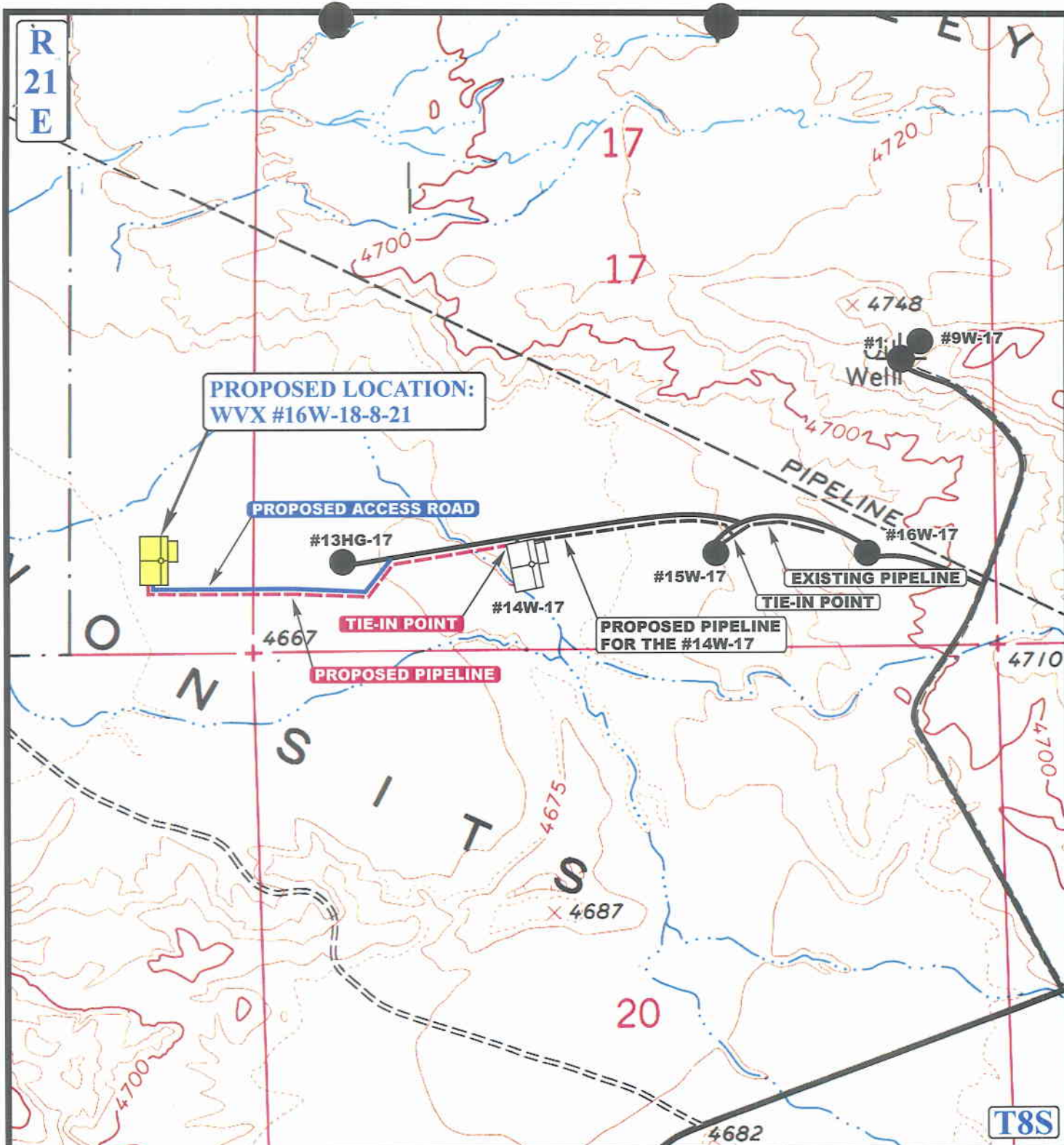
TOPOGRAPHIC
MAP

09 16 03
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00



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APPROXIMATE TOTAL PIPELINE DISTANCE = 2,770' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE

QUESTAR EXPLR. & PROD.

WVX #16W-18-8-21
SECTION 18, T8S, R21E, S.L.B.&M.
675' FSL 660' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



**TOPOGRAPHIC
MAP**

09 16 03
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00



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003

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 12/02/2003

API NO. ASSIGNED: 43-047-35371

WELL NAME: WVX 16W-18-8-21

OPERATOR: QEP UINTA BASIN, INC. (N2460)

CONTACT: RALEEN SEARLE

PHONE NUMBER: 435-781-4309

PROPOSED LOCATION:

SESE 18 080S 210E

SURFACE: 0675 FSL 0660 FEL

BOTTOM: 0675 FSL 0660 FEL

UINTAH

UNDESIGNATED (2)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-68219

SURFACE OWNER: 2 - Indian

PROPOSED FORMATION: WSTC

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.11776

LONGITUDE: 109.58966

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. ESB000024)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 43-8496)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

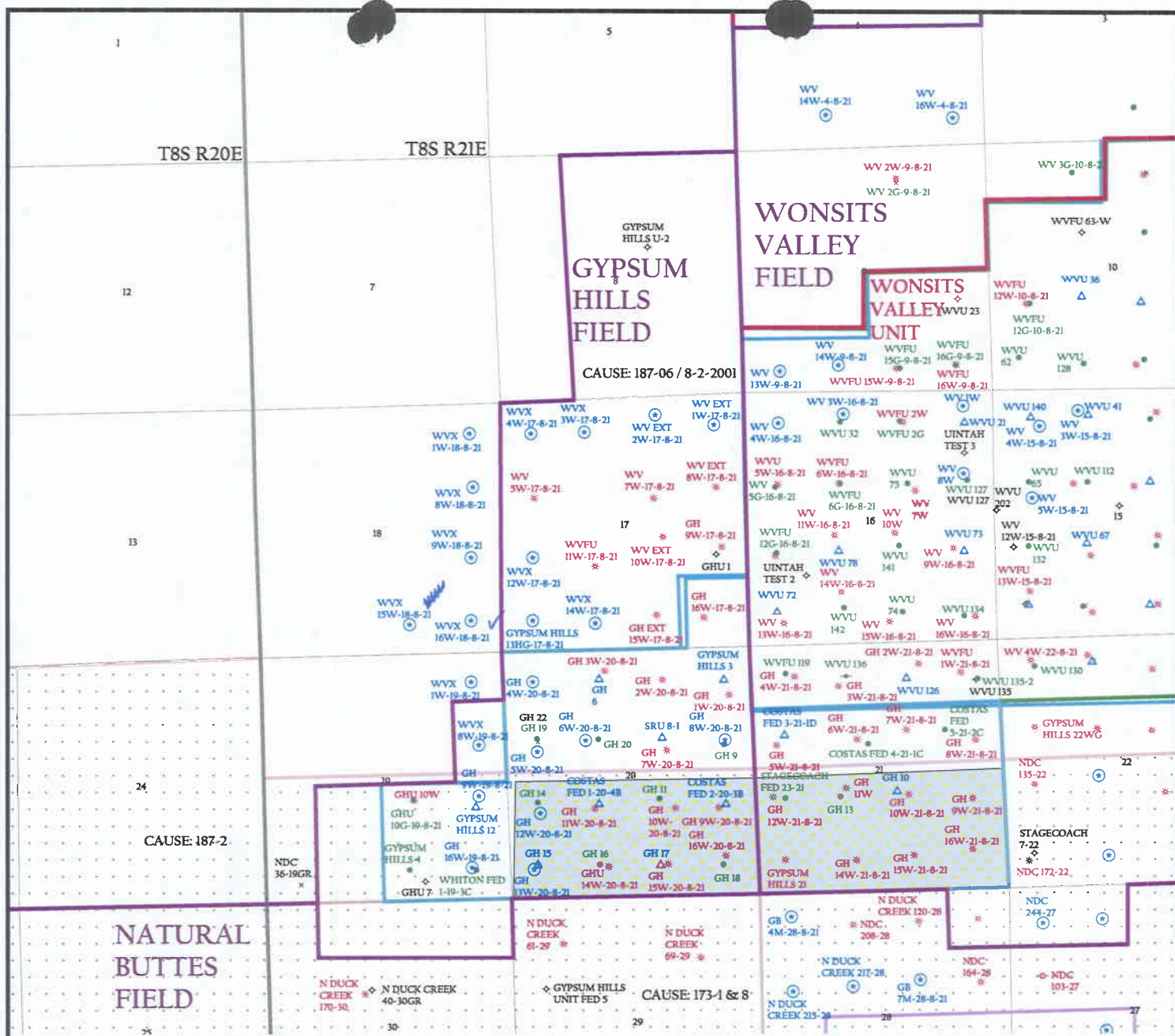
___ R649-2-3.
Unit _____
☒ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
___ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
___ R649-3-11. Directional Drill

COMMENTS:

Sep. Separate file

STIPULATIONS:

1- Federal Approval
2- Spacing Strip



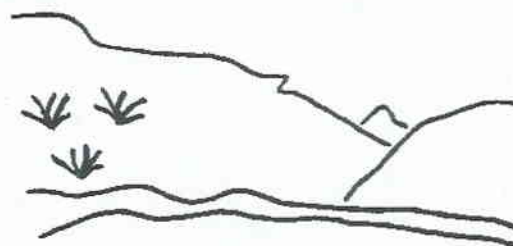
OPERATOR: QEP UINTA BASIN INC (N2460)

SEC. 18 T.8S, R.21E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining

Wells	Unit Status
• GAS INJECTION	EXPLORATORY
• GAS STORAGE	GAS STORAGE
• LOCATION ABANDONED	NF PP OIL
• NEW LOCATION	NF SECONDARY
• PLUGGED & ABANDONED	PENDING
• PRODUCING GAS	PI OIL
• PRODUCING OIL	PP GAS
• SHUT-IN GAS	PP GEOTHERML
• SHUT-IN OIL	PP OIL
• TEMP. ABANDONED	SECONDARY
• TEST WELL	TERMINATED
• WATER INJECTION	
• WATER SUPPLY	
• WATER DISPOSAL	

Field Status
ABANDONED
ACTIVE
COMBINED
INACTIVE
PROPOSED
STORAGE
TERMINATED



PREPARED BY: DIANA WHITNEY
DATE: 03-DECEMBER-2003



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

December 4, 2003

QEP - Uinta Basin, Inc.
11002 E 17500 S
Vernal, UT 84078

Re: WVX 16W-18-8-21 Well, 675' FSL, 660' FEL, SE SE, Sec. 18, T. 8 South, R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35371.

Sincerely,

A handwritten signature in black ink, appearing to read 'John R. Baza'.

John R. Baza
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: QEP - Uinta Basin, Inc.
Well Name & Number WVX 16W-18-8-21
API Number: 43-047-35371
Lease: UTU-68219

Location: SE SE Sec. 18 T. 8 South R. 21 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

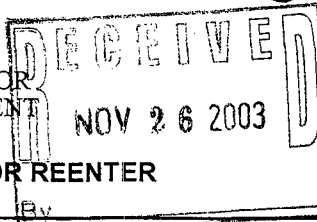
3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

005

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-68219
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name UTE TRIBE
2. Name of Operator QEP - UINTA BASIN INC		7. If Unit or CA Agreement, Name and No.
Contact: RALEEN SEARLE E-Mail: raleen.searle@questar.com		8. Lease Name and Well No. WVX 16W-18-8-21
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435.781.4309 Fx: 435.781.4329	9. API Well No.
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESE 675FSL 660FEL 40.11764 N Lat, 109.59026 W Lon At proposed prod. zone		10. Field and Pool, or Exploratory UNDESIGNATED 43.047.35371
14. Distance in miles and direction from nearest town or post office* 12 +/- MILES FROM OURAY, UT		11. Sec., T., R., M., or Blk. and Survey or Area Sec 18 T8S R21E Mer SLB SME: BIA
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660' +/-	16. No. of Acres in Lease 880.00	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1000' +/-	19. Proposed Depth 7550 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4679 KB	22. Approximate date work will start	17. Spacing Unit dedicated to this well 40.00
		20. BLM/BIA Bond No. on file ESB000024
		23. Estimated duration 10 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) RALEEN SEARLE	Date 11/26/2003
Title REGULATORY AFFAIRS ANALYST		
Approved by (Signature) 	Name (Printed/Typed) EDWIN I FERMAN	Date 1/14/04
Title	Office	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #25529 verified by the BLM Well Information System
For QEP - UINTA BASIN INC, sent to the Vernal
Committed to AFMSS for processing by LESLIE WALKER on 12/03/2003 ()

RECEIVED

JAN 20 2004

DIV. OF OIL, GAS & MINING

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

UDOGM

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: QEP Uintah Basin Inc.

Well Name & Number: WVX 16W-18-8-21

API Number: 43-047-35371

Lease Number: U-68219

Location: SESE Sec. 18 T. 8S R. 21E

Agreement: N/A

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

Casing Program and Auxiliary Equipment

As a minimum requirement, the cement behind the production casing must extend at least 200' above the base of usable water which has been identified at $\pm 920'$.

Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

Please submit an electronic copy of all logs run on this well in LAS format. This submission will supercede the requirement for submittal of paper logs to the BLM.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman (435) 828-7874
Petroleum Engineer

Kirk Fleetwood (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

QEP Uinta Basin, Inc. (QEP) will assure the Ute Tribe that any/all contractors and subcontractors have acquired a current Tribal Business License and have updated "Access Permits" prior to construction. All QEP personnel, contractors and subcontractors will have these permits in their vehicles at all times. Companies that have not complied with this COA will be in violation of the Ute Tribal Business License Ordinance, and will be subject to fines and penalties.

QEP employees, representatives, and/or authorized personnel (subcontractors) shall not carry firearms on their person or in their vehicles while working on the Uintah & Ouray Indian Reservation.

QEP employees and/or authorized personnel (subcontractors) in the field will have applicable approved APDs and/or ROW permits/authorizations on their person(s) during all phases of construction.

QEP will notify the Ute Tribe and Bureau of Indian Affairs (BIA) in writing of any requested modification of APDs or Rights-Of-Way (ROW). QEP shall receive written notification of authorization or denial of the requested modification. Without authorization, QEP will be subject to fines and penalties.

The Ute Tribe Energy & Minerals Department shall be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday. A Tribal Technician is to routinely monitor construction. QEP shall make arrangements with the Ute Energy & Minerals Department for all monitoring that will exceed regular working hours for Tribal Technicians. A qualified Archaeologist accompanied by a Tribal Technician will monitor any trenching construction of the pipeline. QEP is to inform contractors to maintain construction of the pipelines within the approved ROW.

A corridor ROW, 30 feet wide and 2720 feet long, was granted for the pipeline. A ROW, 30 feet wide and 1567 feet long, was granted for the new access road. (See Map D of the APD.) The constructed travel width of the access road will be limited to 18 feet. Upon authorization by the Ute Tribe Energy & Minerals Department, the ROW may be wider where sharp curves, deep cuts and fills occur; or, where intersections with other roads are required.

Upon completion of the pertinent APD and ROWs, QEP will notify the Ute Tribe Energy & Minerals Department for a Tribal Technician to verify the Affidavit of Completion. When each pipeline has been constructed and completed as built descriptions will be filed with the Ute Tribal Energy & Minerals Department.

Production waters, oil, and other byproducts shall not be placed on access roads or the well pad.

All vehicular traffic, personnel movement, construction and restoration operations will be confined to the areas examined and approved and to the existing roadways and/or evaluated access routes.

QEP will implement "Safety and Emergency Plan" and ensure plan compliance.

QEP shall stop construction activities and notify personnel from the Ute Tribe Energy & Minerals Department and BIA if cultural remains including paleontology resources (vertebrate fossils) are exposed or identified during construction. The Ute Tribe Department of Cultural Rights & Protection and the BIA will provide mitigation measures prior to allowing construction.

QEP employees and/or authorized personnel (subcontractors) will not be allowed to collect artifacts and paleontology fossils. No significant cultural resources shall be disturbed.

QEP will control noxious weeds on the well site and ROWs. QEP will be responsible for noxious weed control if weeds spread from the project area onto adjoining land.

Reserve pits will be lined with an impervious synthetic liner to conserve fluids. A fence will be constructed around the reserve pit until it is backfilled. Prior to backfilling the reserve pit, all fluids will be pumped from the pit into trucks and hauled then to approved, disposal sites. When the reserve pits are backfilled, the surplus oil and mud, etc., will be buried a minimum of 3 feet below the surface of the soil.

A closed system will be used during production. This means that production fluids will be contained in leak-proof tanks. All production fluids will be disposed of at approved disposal sites. If any of the produced water is diverted to drilling activities, then any reserve pits where this produced water is hauled must have a pit liner installed. This produced water may not be injected down the annulus of a well after the drilling has been completed.

Surface pipelines will be constructed to lay on the soil surface. The pipeline ROW will not be bladed or cleared of vegetation without authorization of the BIA. Surface pipelines shall be welded in place at well sites or on access roads and on other existing roads then pulled into place with suitable equipment. Vehicles shall not use pipeline ROWs as access roads unless specifically authorized.

Before the site is abandoned, QEP will be required to restore the well site and ROWs to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Soil erosion will be mitigated, by reseeded all disturbed areas.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

006

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
Oil ☐ Gas ☐
Well ☐ Well ☒ Other ☐

2. Name of Operator QEP UINTA BASIN, INC. Contact: Jan Nelson
Email: Jan.Nelson@questar.com

3. Address and Telephone No
11002 E. 17500 S. VERNAL, UT 84078-8526 (435) 781-4331

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SESE 675'FSL 660'FEL SECTION 18, T8S, R21E

6. If Indian, Allottee or Tribe Name
UTE TRIBE

7. If Unit or CA, Agreement Designation

8. Well Name and No.
WVX 16W-18-8-21

9. API Well No.
43-047-35371

10. Field and Pool, or Exploratory Area
UNDESIGNATED

11. County or Parish, State
UINTAH, UTAH

CONFIDENTIAL

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>APD Extension</u>	<input type="checkbox"/> Dispose Water

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the APD for the WVX 16W-18-8-21.

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 12-16-04
By: [Signature]

COPY SENT TO OPERATOR
Date: 12-12-04
Initials: C/H

14. I hereby certify that the foregoing is true and correct.
Signed Jan Nelson Title Regulatory Affairs Analyst Date 12-10-04
(This space for Federal or State office use)

Approved by: _____ Title _____ Date _____
Conditions of approval, if any _____

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

*See instruction on Reverse Side

DEC 14 2004

DIV. OF OIL, GAS & MINING

RESET

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-35371
Well Name: WVX 16W-18-8-21
Location: SESE 675' FSL 660' FEL SEC. 18, T8S, R21E
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 12/4/2003

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

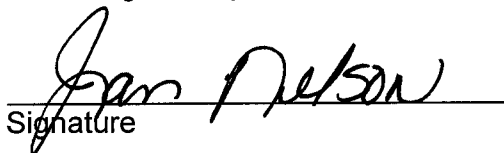
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

12/13/2004
Date

Title: REGULATORY AFFAIRS ANALYST

Representing: QEP UINTA BASIN, INC.

RECEIVED

DEC 14 2004

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir

Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

RECEIVED
DEC 13 2004

1. Type of Well

☐ Oil ☐ Gas
☐ Well ☒ Well ☐ Other

2. Name of Operator

QEP UINTA BASIN, INC.

Contact: Jan Nelson

Email: Jan.Nelson@questar.com

3. Address and Telephone No

11002 E. 17500 S. VERNAL, UT 84078-8526

(435) 781-4331

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SESE 675' FSL 660' FEL SECTION 18, T8S, R21E

UTU-68219

6. If Indian, Allottee or Tribe Name

UTE TRIBE

7. If Unit or CA, Agreement Designation

8. Well Name and No.

WVX 16W-18-8-21

9. API Well No.

43-047-35371

10. Field and Pool, or Exploratory Area

UNDESIGNATED

11. County or Parish, State

UINTAH, UTAH

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒
- Notice of Intent
-
- ☐
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- ☐
- Abandonment
-
- ☐
- Recompletion
-
- ☐
- Plugging Back
-
- ☐
- Casing Repair
-
- ☐
- Altering Casing
-
- ☒
- Other
- APD Extension
-
- ☐
- Change of Plans
-
- ☐
- New Construction
-
- ☐
- Non-Routine Fracturing
-
- ☐
- Water Shut-Off
-
- ☐
- Conversion to Injection
-
- ☐
- Dispose Water

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the APD for the WVX 16W-18-8-21.

RECEIVED
JAN 31 2005

DIV. OF OIL, GAS & MINING

CONDITIONS OF APPROVAL ATTACHED

14. I hereby certify that the foregoing is true and correct.

Signed Jan Nelson

Title Regulatory Affairs Analyst

Date

12-10-04

(This space for Federal or State office use)

Approved by:

Michael Lee

Title

Petroleum Engineer

Date

JAN 14 2005

Conditions of approval, if any

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

UDOGM

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-35371
Well Name: WVX 16W-18-8-21
Location: SESE 675' FSL 660' FEL SEC. 18, T8S, R21E
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 1/14/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒


Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

12/13/2004

Date

Title: REGULATORY AFFAIRS ANALYST

Representing: QEP UINTA BASIN, INC.

QEP Uinta Basin Inc.
APD Extension

Well: WVX 16W - 18-8-21

Location: SESE Sec. 18, T08S, R21E

Lease: UTU-68219

Conditions of Approval

An extension for the referenced APD is granted with the following condition(s):

1. The extension will expire 01/14/06
2. No other extensions beyond that period will be granted or allowed.

If you have any other questions concerning this matter, please contact Michael Lee at (435) 781-4432.



State of Utah
Department of
Natural Resources

MICHAEL R. STYLER
Executive Director

Division of
Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

January 31, 2006

Jan Nelson
QEP Uinta Basin Inc.
11002 East 17500 South
Vernal, Utah 84078

Re: APD Rescinded -WVX 16W-18-8-21 Sec. 18, T. 8S R. 21E
Uintah County, Utah API No. 43-047-35371

Dear Ms. Nelson:

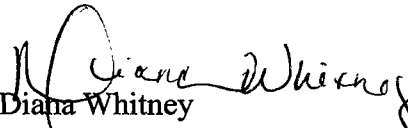
The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on December 4, 2003. On December 16, 2004 the Division granted a one-year APD extension. On January 30, 2006 you requested that the division rescind the state approved APD.

No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 30, 2006.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Whitney
Engineering Technician

cc: Well File
Bureau of Land Management, Vernal



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/utah/vernal>



IN REPLY REFER TO:

3160

UT08300

43-047-35371

April 11, 2006

Jan Nelson
QEP-Uinta Basin, Inc.
11002 East 17500 South
Vernal, UT 84078

Re: Notification of Expiration
Well No. WVX 16W-18-8-21
SESE, Sec. 18, T8S, R21E
Uintah County, Utah
Lease No. UTU-68219

Dear Ms. Nelson:

The Application for Permit to Drill the above-referenced well was approved on January 14, 2004. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until January 14, 2006. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Leslie Wilcken
Land Law Examiner

cc: UDOGM

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

RECEIVED

APR 21 2006

DIV. OF OIL, GAS & MINING